

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)	
WATER SERVICE RATES OF FRANKFORT)	CASE NO. 2008-00250
ELECTRIC AND WATER PLANT BOARD)	

COMMISSION STAFF'S DATA REQUEST
TO FRANKFORT ELECTRIC AND WATER PLANT BOARD

Frankfort Electric and Water Plant Board ("Plant Board"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 6 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before September 19, 2008. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

The Plant Board shall make timely amendments to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests

to which the Plant Board fails or refuses to furnish all or part of the requested information, the Plant Board shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Provide an electronic copy of the Cost of Service Study in Microsoft Excel or Lotus 1-2-3 format. Make sure that all formulas and calculations are included in the spreadsheet so as to verify how each number and dollar amount are calculated and allocated.

2. Refer to page 7 of Paul Herbert's testimony, which is Exhibit 2 to Item 1 of the Plant Board's Response to Order of July 2, 2008. Mr. Herbert stated that "fire demand costs were allocated to public and private fire protection service in proportion to the relative potential demands on the system by public fire hydrants and private service lines as presented in Schedule C on page 31." If the Plant Board's wholesale customers do not provide fire protection to their customers, state why the costs associated with fire flow demand should be allocated to those wholesale customers.

3. Refer to the Independent Auditors Report for the Year Ended June 30, 2007 and Schedule B of the Cost of Service Study. Data from the expense accounts listed in each document do not appear to match. Provide a detailed reconciliation

between the Plant Board's test period actual revenues and expenses and its most recent audit report.

4. Refer to the Independent Auditors Report for the Year Ended June 30, 2007. Provide written explanations and detailed workpapers for each adjustment made to the test period actual revenues and expenses used to determine the Plant Board's revenue requirement.

5. Refer to the Cost of Service Study at page 4 of Schedule B. The chart lists the cost of service on capital projects to be \$1,136,245. List each capital project included within this amount, state the time period during which each project will be constructed, and explain why the cost of each of these projects is being allocated to wholesale water customers.

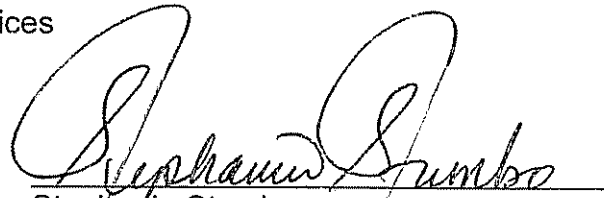
6. Identify and quantify all post-test period expenditures that were capitalized by the Plant Board.

7. Refer to the Cost of Service Study at page 4 of Schedule B. Provide a detailed schedule listing each debt included in the debt service on bonds of \$1,077,473.

8. Refer to the data listed under the heading Transmission and Distribution in the Cost of Service Study at page 1 of Schedule B. For each of the following expenses, provide in detail the components and the allocation of each itemized expense, including a detailed breakdown of each expense.

- a. Water Distribution Expenses - Mains
- b. Water Distribution Expenses - Meters
- c. Water Distribution Expenses - Services
- d. Water Dist Payroll - Mains

- e. Water Dist Payroll - Meters
- f. Water Dist Payroll - Services



Stephanie Stumbo
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

DATED: September 5, 2008

cc: Parties of Record